

# ***FLEXO FILM WRAPS (INDIA) LIMITED***



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## **Annual Report**

**1999**

## **FLEXO FILM WRAPS (INDIA) LIMITED**

### ***DIRECTORS***

Kunal Thirani - Managing Director

K. K. Sadani - Executive Director

M. D. Sohani - Nominee of SICOM

Aparna Chaturvedi - Nominee of UTI

Pramod Khaitan

Alok Bhartia

V. D. Thirani

Madhavi Thirani

### ***AUDITORS***

Bhatter & Company

Chartered Accountants, Mumbai.

### ***BANKERS***

The Saraswat Co-Operative Bank Limited

### ***REGISTERED OFFICE***

B-22, M.I.D.C. Industrial Area,

Waluj, Aurangabad - 431 136.

Phone : +91-240-554915 / 554209

Fax : +91-240-554119

### ***WORKS***

#### **UNIT-I**

B-22, M.I.D.C. Industrial Area,

Waluj, Aurangabad - 431136.

Phone : +91-240 - 554915 / 554209

Fax : +91-240 - 554119

#### **UNIT-II**

Gut # 74, Village Farola, Taluka Paithan,

Dist. Aurangabad.

Maharashtra.

Phone : +91-2431 - 51663 / 51664

Fax : +91-2431 - 51661

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**FLEXO FILM WRAPS (INDIA) LIMITED****NOTICE**

Notice is hereby given that the FOURTEENTH ANNUAL GENERAL MEETING of the members of **FLEXO FILM WRAPS (INDIA) LIMITED**, will be held at B-22 MIDC, Waluj Aurangbad on Thursday, the 9th day of March, 2000 at 10.00 a.m. to transact the following business.

**ORDINARY BUSINESS :**

1. To receive, consider and adopt the audited Profit and Loss Account for the year ended 31<sup>st</sup> December, 1999 and the Balance Sheet, as on that date and the Report of Directors and Auditors thereon.
2. To appoint Director in place of Mr. Pramod Khaitan, who retires by rotation and being eligible offers himself for reappointment.
3. To appoint Director in place of Mr. Alok Bhartia, who retires by rotation and being eligible offers himself for reappointment.
4. To appoint Auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

**SPECIAL BUSINESS :**

5. To consider and, if thought fit, to pass with or without modifications, the following resolution as a Special Resolution :

"RESOLVED that pursuant to the provisions of section 269, 309, 310 and other applicable provisions, if any, of the Companies Act, 1956 and subject to the limits laid down in sections 198 and 309 read with Schedule XIII of the Companies Act, 1956 the consent of the company be and is hereby accorded to the reappointment of Mr. Kunal Thirani as an Managing Director of the Company on the terms & conditions including salary and perquisites as specified in detail in an supplemental agreement to be entered into between the Company and Mr. Kunal Thirani, subject to the

condition that the Board of Directors of the Company is authorised to revise, amend, alter or otherwise vary the terms and conditions of his reappointment from time to time as they deem fit but at no time the remuneration payable to Mr. Kunal Thirani shall exceed the maximum limit prescribed in section I of Part II of Schedule XIII to the Companies Act, 1956 as existing or as may be amended and in the event of the company not earning profit or inadequacy of profit in any financial year, Mr. Kunal Thirani would be entitled to receive the remuneration prescribed in Section II of part II of Schedule XIII to the Companies Act, 1956 as existing or as may be amended as minimum remuneration.

**NOTES :**

1. A member entitled to attend and vote is entitled to appoint one or more proxies to attend instead of himself. A PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE ANNUAL GENERAL MEETING.
2. The Register of Member and Share Transfer books will remain closed from 4<sup>th</sup> March, 2000 to 9<sup>th</sup> March, 2000 (Both days inclusive).
3. Shareholders intending to require information in respect of accounts are requested to send their queries to the company at its registered office at least 7 days in advance of the Annual General Meeting.
4. Members are requested to notify the change in address, if any, promptly to the company quoting their folio numbers.

**Explanatory Statement Pursuant to Section 173 (2) of the Companies Act, 1956.****ITEM NO. 5**

Mr. Kunal Thirani was reappointed as the Managing Director by the Board of Directors of the company on January 20, 2000.

**FLEXO FILM WRAPS (INDIA) LIMITED****NOTICE**

Mr. Kunal Thirani has been working as Director & Managing Director of the company since 1990. He has gained rich experience in the functioning of the company and his performance has been evaluated as good. The Board of Directors have therefore reappointed Mr. Kunal Thirani as the Managing Director.

The details of remuneration payable to Mr. Kunal Thirani is stated as under -

Salary : Rs. 25,000/-

Perquisites : In addition to salary, Mr. Kunal Thirani will also be eligible for perquisites, restricted to an amount equal to the annual salary. For this purpose, perquisites are classified into three categories, Part A, B and C as follows-

**CATEGORY "A"**

1. Housing : The house rent allowance will be subject to 60% of the salary over and above 10% payable by him.
2. Medical Reimbursement : Expenses incurred by him and his family subject to a ceiling of one month salary in one year of three months salary for a period of three years.
3. Leave Travel Concession : Leave travel concession for him and his family once in a year incurred in accordance with the rule specified by the company.
4. Club Fees : Club fees subject to maximum of two clubs. This will not include admission and life membership fees.
5. Personal Accident Insurance : Premium not exceeding Rs. 4000/- per annum.

**CATEGORY "B"**

1. Contribution to Provident Funds, Pension/ Superannuation or annuity fund will not be included in computing the ceiling on the perquisites to the extent, these either singly or put together are not taxable under the Income Tax Act. Gratuity payable should not exceed half month salary for each completed year of service.

2. Encashment of leave at the end of tenure will not be included in the computation of ceiling on perquisite.

**CATEGORY "C"**

Provision of Car and Telephone : Provision of car for use on the company business and telephone at residence will not be considered as perquisites. Personal long distance calls and use of car for private purposes shall be billed to the individual concerned by the company.

The Company will enter into an agreement with the Managing Director for terms and conditions of his appointment.

Your Directors recommend the resolution at item no. 5 for your approval. None of the Directors are in any way concerned or interested in this resolution.

**BY ORDER OF THE BOARD**

Place : Aurangabad  
Dated : January 20, 2000

**KUNAL THIRANI**  
**Managing Director**

**Regd. Office :**  
B-22, M.I.D.C. Area Waluj,  
Aurangabad - 431136.

## FLEXO FILM WRAPS (INDIA) LIMITED

### DIRECTORS' REPORT

Your Directors are pleased to present their Report on the Company's Operation together with the Audited Accounts for the year ended 31<sup>st</sup> December 1999.

#### 1. FINANCIAL RESULTS :

	<i>Rupees in Lacs</i>	
	Current Year ended 31 <sup>st</sup> December, 1999	Previous Year ended 31 <sup>st</sup> December, 1998
Sales	1341.40	829.21
PBIDT	8.73	-34.96
Less Interest	359.11	223.61
PBDT	-350.38	-258.57
Less Depreciation & Amortisation	150.90	115.21
PBT	-501.28	-373.78
Less Provision for Tax	-	-
PAT	-501.28	-373.78
Short Provision of Depreciation of previous year	-	66.94
Balance available for appropriation	-501.28	-440.72
<b>APPROPRIATION</b>		
Proposed Dividend	-	-
Transferred to General Reserve	-	-
Balance Carried forward to Balance Sheet	-501.28	-440.72

#### 2. DIVIDEND :

In view of the losses incurred by the Company, the Board has not recommended any dividend for the year ended 31<sup>st</sup> December 1999.

under Section 58A of the Companies Act, 1956 from the public.

#### 3. PERFORMANCE :

Through there is an increase in sales volumes, the profitability could not improve due to severe competition being faced from imports and an abnormal price increase of raw material. However, all efforts are being made to increase the sales and profitability.

#### 5. INSURANCE :

All the properties of the company including Plant & Machinery, Stores and Stocks, wherever necessary and to the extent required have been adequately insured.

#### 4. FIXED DEPOSIT :

Your company has not accepted any deposits

#### 6. PERSONNEL :

The company continues to maintain cordial relations with the workmen and staff. Your Directors wish to express their appreciation to all the employees of the company for their continued support and contribution.

## **FLEXO FILM WRAPS (INDIA) LIMITED**

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### **DIRECTORS' REPORT CONTD.**

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#### **7. AUDITORS :**

Bhatter & Company, Chartered Accountants, Auditors of the company retire at the conclusion of the ensuing Annual General Meeting and being eligible under Section 224 (1B) of the Companies Act, 1956 offer themselves for reappointment.

#### **8. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO:**

- A) Conservation of Energy : The Company is continuing its efforts to conserve energy.
- B) Technology Absorption : The Company is trying its best to achieve cost reduction and productivity by its in-house R & D.
- C) Foreign Exchange : Foreign Exchange earning of the company is Nil for the year under review, whereas the outgo is Rs. 22.34 Lacs on account of raw material import and foreign visits for exports, etc.

#### **9. PARTICULARS OF EMPLOYEES :**

The statement under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 forming part of the Directors' Report is not applicable.

#### **10. APPRECIATION :**

Your company and its Directors wish to extend their sincere thanks to the Central and State Government, the Financial Institutions, Banks and Shareholders for their continuing co-operation and assistance.

**On behalf of the Board of Directors**

Place : Aurangabad  
Dated : January 20, 2000

**KUNAL THIRANI**  
**Managing Director**

**FLEXO FILM WRAPS (INDIA) LIMITED****ANNEXURE TO THE DIRECTOR'S REPORT**

**Statement pursuant to Section 217 (2A) of the Companies Act, 1956 and the Companies  
(Particulars of Employees Rules, 1975)**

Name	Age Years	Designation / Nature of duties	Remunera- tion Rupees	Qualifica- tion	Experience	Date of Commence- ment of employment	Last employment held and designation
KUNAL THIRANI	29	Managing Director	4,65,950	B. Com.	9 Years	27/09/90	Nil

**NOTES**

- i) Remuneration includes Salaries, Allowances, Bonus, Medical, Leave Travel Assistance and Company's contribution to Provident Fund.
- ii) Appointment of Mr. Kunal Thirani is on contractual basis.